



Beyond Engagement:

8 Proven Strategies to Workplace Excellence

A 2015 Special Report for Achieving Leadership Excellence

Executive Summary

For the last 20 years, organizations have been focused on employee engagement, believing strongly that engaged employees love their jobs, innovate, lead change, focus on quality and continuous improvement and, most important, treat customers exceptionally well. **Engaged employees are invaluable assets to their organizations, and organizations must win the hearts and minds of their employees before they can win the loyalty and business of their customers.**

We don't doubt the value of engaged employees, or their contributions to organizations. But focusing on employee engagement is NOT working. Organizations need to spend their time, money and other resources on strategies that will produce the results their businesses need to succeed. Those strategies cultivate workplace excellence.

Disengaged employees are estimated to cost a company with 100 employees approximately

\$1.75 million,

and a company with 1,000 employees nearly

\$17.5 million per year.¹

Gallup estimates the overall impact of disengaged employees costs the United States an estimated

\$450 billion to \$550 billion annually.²



Focusing on engagement is no longer enough to set your organization apart; your organization will never reach its potential with only a third of your employees engaged. The focus needs to move from engaging employees to creating and building workplace excellence. The highest caliber of engaged talent gravitates toward, and stays with, organizations that excel at workplace excellence.

This white paper provides 8 proven strategies used by the very best organizations to create and sustain a culture of workplace excellence. When an organization achieves workplace excellence, its employees are engaged and happy, which leads to even greater benefits.

¹ Keith Ayers. "The High Cost of a Lack of Engagement." Retrieved from http://www.engagementisnotenough.com/pdfs/Cost_of_Engagement.pdf

² State of the American Workplace: Employee Engagement Insights for U.S. Business Leaders; Gallup. 2013. Retrieved from <http://www.gallup.com/services/178514/state-american-workplace.aspx>

Time for a New Strategy: The New Solution

Despite the wide economic swings over the last 15 years, the level of employee engagement has remained static. It is safe to predict that employee engagement will not increase significantly unless leaders are willing to adopt new strategies.

What strategies increase engagement?

Our Best of the Best organizations have the answer, and it's supported by strong data. These organizations have shifted their focus from *employee engagement* to *workplace excellence*. By focusing their efforts on creating a culture of workplace excellence, these organizations have significantly improved their organizational results and increased their number of engaged employees.

According to Deloitte Consulting, only 35 percent of global employees expect to stay with their current employer as the economy improves.³



35%

of global employees
expect to stay with
their current employer

This statistic may seem daunting for some organizations, but it is exciting for the Best of the Best organizations focused on new strategies. **Organizations that focus on workplace excellence are significantly more successful at creating environments where employees are more likely to be fully engaged and love coming to work.**

An organization that conducts an employee opinion survey has leaders who understand the value of engagement. That is great, but it is not enough. When the results of the Baseline Benchmark are compared to the results of the **Best of the Best Benchmark**,⁴ 8 key strategies for driving workplace excellence become apparent. Using these strategies, great leaders demonstrate their dedication to creating a positive work environment and showing employees they are valued.

Our findings prove that the extent to which people do or do not fully contribute is influenced more by attitude than by necessity, fear, or economic factors.

If you want to be an employer of choice—and a business success—focus on your organization's culture and attitude.

And that culture is best realized by following the 8 Proven Strategies to Workplace Excellence.

³ Alice Kwan, Jeff Schwartz & Andrew Lakopoulos. "Talent Edge 2020: Building the Recovery Together." Deloitte University Press. April 1, 2011. Retrieved from <http://dupress.com/articles/talent-edge-2020-building-the-recovery-together/?id=us%3Ael%3Adc%3Aredirect>

⁴ <http://www.peterstark.com/services/surveys/employee-opinion-surveys/benchmarking/>

These 8 Proven Strategies to Workplace Excellence give the Best of the Best organizations a distinct competitive advantage in the market:



The following pages detail the actions your organization can take to gain this advantage and create a culture of workplace excellence.



Strategy 1: Develop a Compelling Positive Vision and Clear Goals

A vision is like the picture on a jigsaw puzzle box that shows you exactly what you are building. Call it a vision, mission, purpose, strategic direction, or philosophy—the labels vary but describe the same thing: the overarching goal or strategic direction of an organization.

The Best of the Best organizations do a significantly better job of communicating their vision of the future, outlining company goals, and ensuring that employees understand what goals and results they are accountable for achieving.

These organizations are better than the Baseline Benchmark organizations at providing clear goals and future direction by

27.9 PERCENTAGE POINTS



When asked if their company has a plan in place to achieve its goals, the Best of the Best organizations' responses were

28.0 PERCENTAGE POINTS
more favorable

Best of the Best organizations differentiate themselves by ensuring that they have a compelling, positive vision that is known by every employee. Employees are also clear on the company's goals and the future direction.

Employees crave clarity. As one employee noted, she enjoys reading mysteries, just not working in one. Having a clear compelling vision and clear goals sets the foundation for Workplace Excellence.



Strategy 2: Communicate the Right Information at the Right Time

Real communication, whether in a personal relationship or an organization, is difficult. People are busy, and it is hard to find the time to communicate. But it absolutely can be done. The Best of the Best organizations know that if employees are to be engaged and make the best possible decisions, they need information that is *timely, direct, honest, and easily understood*.

When asked about being kept well informed about the changes taking place in their organizations, the Best of the Best employees responded

27.5 PERCENTAGE POINTS
more favorably than employees in the
Baseline Benchmark organizations

When asked if communication flowed effectively from upper management to employees, responses were

22.7 PERCENTAGE POINTS
higher



To improve communication, remove the lag time from your organization's communication. The faster senior and middle managers, as well as immediate supervisors, get the information to the front lines, the better equipped employees are to make the right decisions and provide extraordinary service.

Many managers believe that to be a great communicator, they have to be touchy-feely. The Best of the Best leaders demonstrate that there is nothing touchy-feely about skillfully communicating your organization's vision, strategic direction, goals, and the changes occurring in your department or at your company.

Mastering clear and timely communication is a key to workplace excellence.



Strategy 3: Hire the Right Employees and Managers

Consider how the people you manage feel about their colleagues. Would they say you hired excellent team members who are valuable assets to the organization?

Employees of the Best of the Best organizations rated this attribute

27.5 PERCENTAGE POINTS
higher than organizations in the Baseline Benchmark



Selecting the right leaders is critical to your organization's success.

Whether an employee goes home at the end of the day saying, "I love my job" or "I don't get paid enough to put up with this..." depends on the relationship the employee has with their immediate supervisor. Give an employee an excellent leader, and you radically increase your chance of being rated as a Best of the Best organization.

When your organization acquires a reputation for workplace excellence, you attract a higher caliber of candidates to interview.

If your organization consists of stellar employees, you will not risk hiring a mediocre or poor candidate. Like the Best of the Best organizations, you would rather wait and repost the job than give the position to someone who is a poor fit.

When the Best of the Best organizations realize that an employee or manager is not a good fit, they provide the needed coaching, counseling, training, and support. If this additional support does not work, organizations focused on workplace excellence quickly share this employee or manager with their best competitor—and screw up the competitor's strategic plan instead.

Hire slowly, fire quickly.

With this strategy in place, the Best of the Best rate

19.3 PERCENTAGE POINTS
higher when employees are asked
about their continued employment
with the organization



Strategy 4: Accountability Counts

Performance management is handled very differently by the Best of the Best organizations in three distinct areas:

1 CLEAR EXPECTATIONS:

The Best of the Best organizations score

19.2 PERCENTAGE POINTS

higher when it comes to clearly defining what is expected of employees

Many employees face a double whammy regarding expectations: They are not clear on their job responsibilities, and they are not clear on how performance standards are measured. This is the equivalent of playing the organizational version of Pin the Tail on the Donkey. It is just about impossible to hit the target. Employees need to see the target they are aiming for, and the Best of the Best organizations do a much better job of ensuring that job responsibilities are clearly defined for every employee.

2 CONSTRUCTIVE FEEDBACK:

The Best of the Best organizations and their leaders excel at giving employees ongoing feedback regarding their performance by

16.3 PERCENTAGE POINTS

To be useful, feedback must help people learn, grow, and improve, and it should be ongoing.

The Best of the Best organizations provide clear measures of performance and they train their leaders to provide the feedback and coaching necessary for employee success.

3 PERFORMANCE STANDARDS ACCOUNTABILITY:

The Best of the Best organizations are better at holding all team members accountable for performance standards. Some argue that this is difficult.

But, when accountability exists within an organization, the consistent application of policies and procedures increases by

22.1 PERCENTAGE POINTS

The fair distribution of work in a department increases by

22.3 PERCENTAGE POINTS

These two noteworthy differences indicate that employees perceive great leaders as those who treat all members of the team fairly.

They ensure employees have:



clearly defined job
responsibilities



clearly defined
performance measures



coupled with
timely feedback

The Best of the Best organizations are able to achieve workplace excellence
because accountability is part of their workplace culture.



Strategy 5: Cool Stuff: Focus on Innovation and Continuous Improvement

After working with a Best of the Best client, we often return to the office and share with our staff the cool stuff the client is working on—new products, processes, services, or solutions to organizational or industry problems. Anything other than the day-to-day components of a job can fall into the category of cool stuff.

The key is to emphasize that cool stuff is all about innovation, continuous improvement, solving problems, learning, growing, and changing.

Organizations achieve what they value, expect, and recognize.

The Best of the Best do a considerably better job of **establishing an environment where employees are encouraged to improve quality within the organization, as indicated by a**

15.9 **PERCENTAGE POINTS**
more favorable response

Contrast that environment with one where innovation relies on an employee suggestion box that is checked once a month just in case someone ventured to drop in a comment.

Employees are motivated to improve quality and come up with innovative ideas when they are appreciated and recognized for their contributions.

The Best of the Best organizations were rated

26.4 **PERCENTAGE POINTS**
more favorably when it comes to recognizing employees who work on cool stuff

Recognition is an important key to workplace excellence because it sends a message to all employees that innovation, quality, and problem solving are important and expected. This, in turn, boosts your workplace excellence.



Working on new initiatives and projects allows employees to learn, grow, and improve their skill sets. According to Quantum Workplace, having access to learning opportunities is of utmost importance to highly engaged employees.⁵ Including these opportunities in your culture will set you on the path to workplace excellence, setting you apart as a Best of the Best workplace that will attract the highest caliber of talented and engaged employees.



Strategy 6: We Are One Team

When it comes to organizational success, individuals cannot win without a team, and teams cannot win without the contributions of individuals. Michael Jordan, the NBA legend, summed it up perfectly when he stated,

“There is no ‘I’ in team, but there is an ‘I’ in win.”

To consistently win, you need both great players and great teamwork.

Teamwork—the actions, not just the talk—begins with the leader. Almost everyone in both benchmarks agree that teamwork is a strength within their own department. However, the Best of the Best organizations exhibit strong teamwork in not only their own departments, but between departments as well.

The Best of the Best were rated

23.6 PERCENTAGE POINTS

higher when asked if different departments in the organization cooperate well together



Each team member must *take responsibility, be accountable, and produce extraordinary results* so the team can achieve its goals. **The Best of the Best organizations understand the fine balance between teamwork and individual contributions.**



Leaders in these organizations also know that getting everyone on the team to row in the same direction is critical to achieving workplace excellence.



Strategy 7: Celebrate: Recognize and Reward the Highest Achievers

Does your organization value all of its employees? The answer that comes to mind is likely, *"Yes, our people are our most important asset."*

Now ask yourself, does your organization:

- Reward mediocre employees, poor performers, or those who do not take the initiative to improve quality, solve problems, or innovate?
- Distribute bonuses solely based on the number of years of service to your organization?
- Give everyone on your team or in the organization the same percentage of annual salary increase, regardless of performance?

If you want your organization to be among the Best of the Best organizations, these questions must be answered with an emphatic **"No."**

We are raising a society where everyone wins a trophy. When every employee receives the same reward, or when rewards are not linked directly to performance and results, it is almost guaranteed to result in lower morale.



These are the employees achieving positive results and living the organization's vision and values.

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When organizations appropriately reward and publicly recognize high performance, employees feel appreciated.

The Best of the Best companies were rated

19.1 PERCENTAGE POINTS

higher when employees were asked if they feel appropriately recognized for their contributions

To achieve workplace excellence, employees need to feel valued by their leader and the organization.

The Best of the Best organizations appropriately reward the highest achievers and tell others about their excellent performance. This results in employees feeling that the talents they bring to work each day are valued, and that they are appreciated as individuals for their unique contributions.



People who truly feel valued and appreciated want to stay and continue to share their talents.



Strategy 8: The Loyalty Connection: Trust, Genuine Care, and Respect

Developing workplace excellence requires a foundation of trust and respect between employees and leadership. That foundation must start at the leadership level. How is this accomplished?

Let the Best of the Best demonstrate the key aspects of the Loyalty Connection:

COMMUNICATE OPENLY AND HONESTLY:

The Best of the Best leaders know that people will not follow leaders they do not trust. When employees were asked if management communicates openly and honestly with them, the Best of the Best organizations rated 29.4 percentage points higher than organizations in the Baseline Benchmark.

The Best of the Best companies rated
29.4 PERCENTAGE POINTS
higher

WHAT EMPLOYEES THINK MATTERS:

To build trust and respect, the Best of the Best leaders actively seek out the employees' thoughts and opinions on how to improve the organization (24.8 percentage points higher). They expect employees to think critically and make decisions that improve the company. They truly believe that great ideas come from the people doing the work, and they are in the habit of seeking employees' input prior to making changes that impact their work.

The Best of the Best companies rated
24.8 PERCENTAGE POINTS
higher

FOLLOW THROUGH WITH COMMITMENTS:

One of the quickest ways to build trust is to follow through on what you say you will do. When employees were asked if their managers follow through and keep their commitments, the Best of the Best organizations were rated 18.7 percentage points higher.

The Best of the Best companies rated
18.7 PERCENTAGE POINTS
higher

ACCESSIBILITY:

It is difficult to build trust and respect as a leader if you are not accessible to your employees.

According to Quantum Workplace, there is a strong correlation between accessibility to leadership and the trust an employee has for the organization.⁶

The Best of the Best organizations also reflect this, as they scored 22.9 percentage points higher when asked if senior leadership is accessible to employees. Being accessible doesn't have to mean being physically visible. A leader can be accessible through a number of today's mediums: *email*, *voicemail*, *video*, etc.

The Best of the Best companies rated

22.9 PERCENTAGE POINTS
higher

TRUST AND RESPECT:

The measurement of trust and respect increases when employees see the above keys of the loyalty connection implemented. The Best of the Best employees rate senior leaders 22.0 percentage points higher at being committed to building trust with employees, and trusting the senior leaders decisions regarding the company. It is easy for the Best of the Best leaders to demonstrate trust and respect when they truly value the opinions of their employees, genuinely care about their success, and are committed to creating an environment of workplace excellence.

The Best of the Best companies rated

22.0 PERCENTAGE POINTS
higher



The Best of the Best organizations demonstrate that employees' respect for their senior leadership team increases when trust and respect is a part of the organizational culture.

When trust and respect exist between employees and the organization's leadership, employees have an even stronger connection to the company. This connection goes beyond the traditional relationships we see between the employee and the supervisor or department. ***We call this the Loyalty Connection, and it elevates workplace excellence to the next level.***

When the Loyalty Connection is present, employees can see where the organization is going, they believe in the team taking them there, and they are 100 percent on board, giving their maximum discretionary effort.

They are connected to the company with both the head, and the heart.

⁶ "2013 Trends Report—The State of Employee Engagement." 2013. Retrieved from <http://www.quantumworkplace.com/wp-content/uploads/2013/03/Resources-Whitepapers-2013-Employee-Engagement-Trends-Report.pdf>

Conclusions

The level of employee engagement has remained stagnant for 20 years. Going forward, we are unlikely to see significant increases in employee engagement if leaders are unwilling to adopt new strategies. To improve engagement, which increases productivity and profits, leaders have to embrace new strategies and focus on workplace excellence.

These 8 Proven Strategies to Workplace Excellence give the Best of the Best organizations a distinct competitive advantage in the market:



1. A Compelling Positive Vision and Clear Goals



2. Communicating the Right Information at the Right Time



3. Hiring the Right Employees and Managers



4. Making Accountability Count



5. Focusing on Cool Stuff: Innovation and Continuous Improvement



6. Teamwork: We Are One Team



7. Celebration: Recognizing and Rewarding the Highest Achievers



8. The Loyalty Connection: Trust, Genuine Care, and Respect

Each strategy to workplace excellence is under the direct control of an employee's immediate manager or supervisor. That means *you*—and the people you coach—can change the way you lead to improve performance through workplace excellence. When employees get more out of their jobs, they give more back to the organization.

If you are ready to lead happy, engaged employees and make a significant contribution to your organization in the process, ensure success by implementing these 8 Proven Strategies to Workplace Excellence. They are the result of 25 years of research and reflect our expertise in coaching leaders to create a culture of workplace excellence in which employees thrive.



To learn more about creating workplace excellence and our employee opinion surveys, contact the Peter Barron Stark Companies at **(858) 451-3601** or by email at **info@peterstark.com**.



You can also subscribe to our weekly and monthly **Leadership Newsletters** for the most current insights and tips on building an organization where employees love to work.

About the Authors



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